

AMENDMENTS TO LB391

Introduced by Revenue.

1 1. Strike the original sections and insert the following new
2 sections:

3 **Section 1.** Sections 1 to 5 of this act shall be known and may be
4 cited as the Give to Enable Support Act.

5 **Sec. 2.** For purposes of the Give to Enable Support Act:

6 (1) Account has the same meaning as in section 77-1401;

7 (2) Contribution means a donation which is made for the purpose of
8 providing a source of funding for the program;

9 (3) Program means the Give to Enable Support Program created in
10 section 4 of this act;

11 (4) Qualified disability expenses has the same meaning as in section
12 77-1401; and

13 (5) Qualified individual means an individual with a disability as
14 defined in section 77-1401 who does not have an account at the time he or
15 she is approved to become a participant in the program pursuant to
16 section 4 of this act.

17 **Sec. 3.** There is hereby created the Give to Enable Support Cash
18 Fund. The fund shall be administered by the State Treasurer. The State
19 Treasurer shall accept contributions from any private individual or
20 private entity and shall credit all such contributions received to the
21 Give to Enable Support Cash Fund for the purpose of providing an ongoing
22 source of funding for the program. No General Funds shall be transferred
23 to the Give to Enable Support Cash Fund. Any money in the fund available
24 for investment shall be invested by the state investment officer pursuant
25 to the Nebraska Capital Expansion Act and the Nebraska State Funds
26 Investment Act.

27 **Sec. 4.** (1) The Give to Enable Support Program is created. The

1 program shall begin on January 1, 2026, and shall be implemented and
2 administered by the State Treasurer. The purpose of the program is to
3 promote access to accounts by establishing accounts using distributions
4 from the Give to Enable Support Cash Fund. Such accounts may then be used
5 to pay the qualified disability expenses of qualified individuals.

6 (2) Beginning January 1, 2026, any qualified individual shall be
7 eligible to participate in the Give to Enable Support Program. In order
8 to participate in the program, a qualified individual shall submit an
9 application to the State Treasurer on forms prescribed by the State
10 Treasurer. The State Treasurer shall accept applications from January 1
11 to June 1 of each year beginning in 2026. The application shall include:

12 (a) Information necessary to certify the applicant's status as a
13 qualified individual;

14 (b) The applicant's personal information necessary to establish an
15 account; and

16 (c) Any other information required by the State Treasurer.

17 (3) If the State Treasurer determines that the applicant qualifies
18 to have an account established under the program, the State Treasurer
19 shall approve the application and shall notify the applicant of the
20 approval. The State Treasurer may approve as many applications as funding
21 for the program allows for each calendar year.

22 (4) A qualified individual whose application is approved under this
23 section shall have an account established for such individual in
24 accordance with sections 77-1401 to 77-1409. Such account shall be
25 established on or before April 1 of the year following the year the
26 application is approved and shall be funded with no less than the minimum
27 amount required to open an account or such greater amount as determined
28 by the State Treasurer in his or her sole discretion.

29 **Sec. 5.** The State Treasurer may adopt and promulgate rules and
30 regulations to carry out the Give to Enable Support Act.

31 **Sec. 6.** Section 77-2716, Revised Statutes Cumulative Supplement,

1 2024, is amended to read:

2 77-2716 (1) The following adjustments to federal adjusted gross
3 income or, for corporations and fiduciaries, federal taxable income shall
4 be made for interest or dividends received:

5 (a)(i) There shall be subtracted interest or dividends received by
6 the owner of obligations of the United States and its territories and
7 possessions or of any authority, commission, or instrumentality of the
8 United States to the extent includable in gross income for federal income
9 tax purposes but exempt from state income taxes under the laws of the
10 United States; and

11 (ii) There shall be subtracted interest received by the owner of
12 obligations of the State of Nebraska or its political subdivisions or
13 authorities which are Build America Bonds to the extent includable in
14 gross income for federal income tax purposes;

15 (b) There shall be subtracted that portion of the total dividends
16 and other income received from a regulated investment company which is
17 attributable to obligations described in subdivision (a) of this
18 subsection as reported to the recipient by the regulated investment
19 company;

20 (c) There shall be added interest or dividends received by the owner
21 of obligations of the District of Columbia, other states of the United
22 States, or their political subdivisions, authorities, commissions, or
23 instrumentalities to the extent excluded in the computation of gross
24 income for federal income tax purposes except that such interest or
25 dividends shall not be added if received by a corporation which is a
26 regulated investment company;

27 (d) There shall be added that portion of the total dividends and
28 other income received from a regulated investment company which is
29 attributable to obligations described in subdivision (c) of this
30 subsection and excluded for federal income tax purposes as reported to
31 the recipient by the regulated investment company; and

1 (e)(i) Any amount subtracted under this subsection shall be reduced
2 by any interest on indebtedness incurred to carry the obligations or
3 securities described in this subsection or the investment in the
4 regulated investment company and by any expenses incurred in the
5 production of interest or dividend income described in this subsection to
6 the extent that such expenses, including amortizable bond premiums, are
7 deductible in determining federal taxable income.

8 (ii) Any amount added under this subsection shall be reduced by any
9 expenses incurred in the production of such income to the extent
10 disallowed in the computation of federal taxable income.

11 (2) There shall be allowed a net operating loss derived from or
12 connected with Nebraska sources computed under rules and regulations
13 adopted and promulgated by the Tax Commissioner consistent, to the extent
14 possible under the Nebraska Revenue Act of 1967, with the laws of the
15 United States. For a resident individual, estate, or trust, the net
16 operating loss computed on the federal income tax return shall be
17 adjusted by the modifications contained in this section. For a
18 nonresident individual, estate, or trust or for a partial-year resident
19 individual, the net operating loss computed on the federal return shall
20 be adjusted by the modifications contained in this section and any
21 carryovers or carrybacks shall be limited to the portion of the loss
22 derived from or connected with Nebraska sources.

23 (3) There shall be subtracted from federal adjusted gross income for
24 all taxable years beginning on or after January 1, 1987, the amount of
25 any state income tax refund to the extent such refund was deducted under
26 the Internal Revenue Code, was not allowed in the computation of the tax
27 due under the Nebraska Revenue Act of 1967, and is included in federal
28 adjusted gross income.

29 (4) Federal adjusted gross income, or, for a fiduciary, federal
30 taxable income shall be modified to exclude the portion of the income or
31 loss received from a small business corporation with an election in

1 effect under subchapter S of the Internal Revenue Code or from a limited
2 liability company organized pursuant to the Nebraska Uniform Limited
3 Liability Company Act that is not derived from or connected with Nebraska
4 sources as determined in section 77-2734.01.

5 (5) There shall be subtracted from federal adjusted gross income or,
6 for corporations and fiduciaries, federal taxable income dividends
7 received or deemed to be received from corporations which are not subject
8 to the Internal Revenue Code.

9 (6) There shall be subtracted from federal taxable income a portion
10 of the income earned by a corporation subject to the Internal Revenue
11 Code of 1986 that is actually taxed by a foreign country or one of its
12 political subdivisions at a rate in excess of the maximum federal tax
13 rate for corporations. The taxpayer may make the computation for each
14 foreign country or for groups of foreign countries. The portion of the
15 taxes that may be deducted shall be computed in the following manner:

16 (a) The amount of federal taxable income from operations within a
17 foreign taxing jurisdiction shall be reduced by the amount of taxes
18 actually paid to the foreign jurisdiction that are not deductible solely
19 because the foreign tax credit was elected on the federal income tax
20 return;

21 (b) The amount of after-tax income shall be divided by one minus the
22 maximum tax rate for corporations in the Internal Revenue Code; and

23 (c) The result of the calculation in subdivision (b) of this
24 subsection shall be subtracted from the amount of federal taxable income
25 used in subdivision (a) of this subsection. The result of such
26 calculation, if greater than zero, shall be subtracted from federal
27 taxable income.

28 (7) Federal adjusted gross income shall be modified to exclude any
29 amount repaid by the taxpayer for which a reduction in federal tax is
30 allowed under section 1341(a)(5) of the Internal Revenue Code.

31 (8)(a) Federal adjusted gross income or, for corporations and

1 fiduciaries, federal taxable income shall be reduced, to the extent
2 included, by income from interest, earnings, and state contributions
3 received from the Nebraska educational savings plan trust created in
4 sections 85-1801 to 85-1817 and any account established under the
5 achieving a better life experience program as provided in sections
6 77-1401 to 77-1409.

7 (b) Federal adjusted gross income or, for corporations and
8 fiduciaries, federal taxable income shall be reduced by any contributions
9 as a participant in the Nebraska educational savings plan trust, any or
10 contributions to an account established under the achieving a better life
11 experience program made for the benefit of a beneficiary as provided in
12 sections 77-1401 to 77-1409, or any contributions to the Give to Enable
13 Support Cash Fund as provided in the Give to Enable Support Act, to the
14 extent not deducted for federal income tax purposes, but not to exceed
15 five thousand dollars per married filing separate return or ten thousand
16 dollars for any other return. With respect to a qualified rollover within
17 the meaning of section 529 of the Internal Revenue Code from another
18 state's plan, any interest, earnings, and state contributions received
19 from the other state's educational savings plan which is qualified under
20 section 529 of the code shall qualify for the reduction provided in this
21 subdivision. For contributions by a custodian of a custodial account
22 including rollovers from another custodial account, the reduction shall
23 only apply to funds added to the custodial account after January 1, 2014.

24 (c) For taxable years beginning or deemed to begin on or after
25 January 1, 2021, under the Internal Revenue Code of 1986, as amended,
26 federal adjusted gross income shall be reduced, to the extent included in
27 the adjusted gross income of an individual, by the amount of any
28 contribution made by the individual's employer into an account under the
29 Nebraska educational savings plan trust owned by the individual, not to
30 exceed five thousand dollars per married filing separate return or ten
31 thousand dollars for any other return.

1 (d) Federal adjusted gross income or, for corporations and
2 fiduciaries, federal taxable income shall be increased by:

3 (i) The amount resulting from the cancellation of a participation
4 agreement refunded to the taxpayer as a participant in the Nebraska
5 educational savings plan trust to the extent previously deducted under
6 subdivision (8)(b) of this section; and

7 (ii) The amount of any withdrawals by the owner of an account
8 established under the achieving a better life experience program as
9 provided in sections 77-1401 to 77-1409 for nonqualified expenses to the
10 extent previously deducted under subdivision (8)(b) of this section.

11 (9)(a) For income tax returns filed after September 10, 2001, for
12 taxable years beginning or deemed to begin before January 1, 2006, under
13 the Internal Revenue Code of 1986, as amended, federal adjusted gross
14 income or, for corporations and fiduciaries, federal taxable income shall
15 be increased by eighty-five percent of any amount of any federal bonus
16 depreciation received under the federal Job Creation and Worker
17 Assistance Act of 2002 or the federal Jobs and Growth Tax Act of 2003,
18 under section 168(k) or section 1400L of the Internal Revenue Code of
19 1986, as amended, for assets placed in service after September 10, 2001,
20 and before December 31, 2005.

21 (b) For a partnership, limited liability company, cooperative,
22 including any cooperative exempt from income taxes under section 521 of
23 the Internal Revenue Code of 1986, as amended, limited cooperative
24 association, subchapter S corporation, or joint venture, the increase
25 shall be distributed to the partners, members, shareholders, patrons, or
26 beneficiaries in the same manner as income is distributed for use against
27 their income tax liabilities.

28 (c) For a corporation with a unitary business having activity both
29 inside and outside the state, the increase shall be apportioned to
30 Nebraska in the same manner as income is apportioned to the state by
31 section 77-2734.05.

1 (d) The amount of bonus depreciation added to federal adjusted gross
2 income or, for corporations and fiduciaries, federal taxable income by
3 this subsection shall be subtracted in a later taxable year. Twenty
4 percent of the total amount of bonus depreciation added back by this
5 subsection for tax years beginning or deemed to begin before January 1,
6 2003, under the Internal Revenue Code of 1986, as amended, may be
7 subtracted in the first taxable year beginning or deemed to begin on or
8 after January 1, 2005, under the Internal Revenue Code of 1986, as
9 amended, and twenty percent in each of the next four following taxable
10 years. Twenty percent of the total amount of bonus depreciation added
11 back by this subsection for tax years beginning or deemed to begin on or
12 after January 1, 2003, may be subtracted in the first taxable year
13 beginning or deemed to begin on or after January 1, 2006, under the
14 Internal Revenue Code of 1986, as amended, and twenty percent in each of
15 the next four following taxable years.

16 (10) For taxable years beginning or deemed to begin on or after
17 January 1, 2003, and before January 1, 2006, under the Internal Revenue
18 Code of 1986, as amended, federal adjusted gross income or, for
19 corporations and fiduciaries, federal taxable income shall be increased
20 by the amount of any capital investment that is expensed under section
21 179 of the Internal Revenue Code of 1986, as amended, that is in excess
22 of twenty-five thousand dollars that is allowed under the federal Jobs
23 and Growth Tax Act of 2003. Twenty percent of the total amount of
24 expensing added back by this subsection for tax years beginning or deemed
25 to begin on or after January 1, 2003, may be subtracted in the first
26 taxable year beginning or deemed to begin on or after January 1, 2006,
27 under the Internal Revenue Code of 1986, as amended, and twenty percent
28 in each of the next four following tax years.

29 (11)(a) For taxable years beginning or deemed to begin before
30 January 1, 2018, under the Internal Revenue Code of 1986, as amended,
31 federal adjusted gross income shall be reduced by contributions, up to

1 two thousand dollars per married filing jointly return or one thousand
2 dollars for any other return, and any investment earnings made as a
3 participant in the Nebraska long-term care savings plan under the Long-
4 Term Care Savings Plan Act, to the extent not deducted for federal income
5 tax purposes.

6 (b) For taxable years beginning or deemed to begin before January 1,
7 2018, under the Internal Revenue Code of 1986, as amended, federal
8 adjusted gross income shall be increased by the withdrawals made as a
9 participant in the Nebraska long-term care savings plan under the act by
10 a person who is not a qualified individual or for any reason other than
11 transfer of funds to a spouse, long-term care expenses, long-term care
12 insurance premiums, or death of the participant, including withdrawals
13 made by reason of cancellation of the participation agreement, to the
14 extent previously deducted as a contribution or as investment earnings.

15 (12) There shall be added to federal adjusted gross income for
16 individuals, estates, and trusts any amount taken as a credit for
17 franchise tax paid by a financial institution under sections 77-3801 to
18 77-3807 as allowed by subsection (5) of section 77-2715.07.

19 (13)(a) For taxable years beginning or deemed to begin on or after
20 January 1, 2015, and before January 1, 2024, under the Internal Revenue
21 Code of 1986, as amended, federal adjusted gross income shall be reduced
22 by the amount received as benefits under the federal Social Security Act
23 which are included in the federal adjusted gross income if:

24 (i) For taxpayers filing a married filing joint return, federal
25 adjusted gross income is fifty-eight thousand dollars or less; or

26 (ii) For taxpayers filing any other return, federal adjusted gross
27 income is forty-three thousand dollars or less.

28 (b) For taxable years beginning or deemed to begin on or after
29 January 1, 2020, and before January 1, 2024, under the Internal Revenue
30 Code of 1986, as amended, the Tax Commissioner shall adjust the dollar
31 amounts provided in subdivisions (13)(a)(i) and (ii) of this section by

1 the same percentage used to adjust individual income tax brackets under
2 subsection (3) of section 77-2715.03.

3 (c) For taxable years beginning or deemed to begin on or after
4 January 1, 2021, and before January 1, 2024, under the Internal Revenue
5 Code of 1986, as amended, a taxpayer may claim the reduction to federal
6 adjusted gross income allowed under this subsection or the reduction to
7 federal adjusted gross income allowed under subsection (14) of this
8 section, whichever provides the greater reduction.

9 (14)(a) For taxable years beginning or deemed to begin on or after
10 January 1, 2021, under the Internal Revenue Code of 1986, as amended,
11 federal adjusted gross income shall be reduced by a percentage of the
12 social security benefits that are received and included in federal
13 adjusted gross income. The pertinent percentage shall be:

14 (i) Five percent for taxable years beginning or deemed to begin on
15 or after January 1, 2021, and before January 1, 2022, under the Internal
16 Revenue Code of 1986, as amended;

17 (ii) Forty percent for taxable years beginning or deemed to begin on
18 or after January 1, 2022, and before January 1, 2023, under the Internal
19 Revenue Code of 1986, as amended;

20 (iii) Sixty percent for taxable years beginning or deemed to begin
21 on or after January 1, 2023, and before January 1, 2024, under the
22 Internal Revenue Code of 1986, as amended; and

23 (iv) One hundred percent for taxable years beginning or deemed to
24 begin on or after January 1, 2024, under the Internal Revenue Code of
25 1986, as amended.

26 (b) For purposes of this subsection, social security benefits means
27 benefits received under the federal Social Security Act.

28 (c) For taxable years beginning or deemed to begin on or after
29 January 1, 2021, and before January 1, 2024, under the Internal Revenue
30 Code of 1986, as amended, a taxpayer may claim the reduction to federal
31 adjusted gross income allowed under this subsection or the reduction to

1 federal adjusted gross income allowed under subsection (13) of this
2 section, whichever provides the greater reduction.

3 (15)(a) For taxable years beginning or deemed to begin on or after
4 January 1, 2015, and before January 1, 2022, under the Internal Revenue
5 Code of 1986, as amended, an individual may make a one-time election
6 within two calendar years after the date of his or her retirement from
7 the military to exclude income received as a military retirement benefit
8 by the individual to the extent included in federal adjusted gross income
9 and as provided in this subdivision. The individual may elect to exclude
10 forty percent of his or her military retirement benefit income for seven
11 consecutive taxable years beginning with the year in which the election
12 is made or may elect to exclude fifteen percent of his or her military
13 retirement benefit income for all taxable years beginning with the year
14 in which he or she turns sixty-seven years of age.

15 (b) For taxable years beginning or deemed to begin on or after
16 January 1, 2022, under the Internal Revenue Code of 1986, as amended, an
17 individual may exclude one hundred percent of the military retirement
18 benefit income received by such individual to the extent included in
19 federal adjusted gross income.

20 (c) For purposes of this subsection, military retirement benefit
21 means retirement benefits that are periodic payments attributable to
22 service in the uniformed services of the United States for personal
23 services performed by an individual prior to his or her retirement. The
24 term includes retirement benefits described in this subdivision that are
25 reported to the individual on either:

26 (i) An Internal Revenue Service Form 1099-R received from the United
27 States Department of Defense; or

28 (ii) An Internal Revenue Service Form 1099-R received from the
29 United States Office of Personnel Management.

30 (16) For taxable years beginning or deemed to begin on or after
31 January 1, 2021, under the Internal Revenue Code of 1986, as amended,

1 federal adjusted gross income shall be reduced by the amount received as
2 a Segal AmeriCorps Education Award, to the extent such amount is included
3 in federal adjusted gross income.

4 (17) For taxable years beginning or deemed to begin on or after
5 January 1, 2022, under the Internal Revenue Code of 1986, as amended,
6 federal adjusted gross income shall be reduced by the amount received by
7 or on behalf of a firefighter for cancer benefits under the Firefighter
8 Cancer Benefits Act to the extent included in federal adjusted gross
9 income.

10 (18) There shall be subtracted from the federal adjusted gross
11 income of individuals any amount received by the individual as student
12 loan repayment assistance under the Teach in Nebraska Today Act, to the
13 extent such amount is included in federal adjusted gross income.

14 (19) For taxable years beginning or deemed to begin on or after
15 January 1, 2023, under the Internal Revenue Code of 1986, as amended, a
16 retired individual who was employed full time as a firefighter or
17 certified law enforcement officer for at least twenty years and who is at
18 least sixty years of age as of the end of the taxable year may reduce his
19 or her federal adjusted gross income by the amount of health insurance
20 premiums paid by such individual during the taxable year, to the extent
21 such premiums were not already deducted in determining the individual's
22 federal adjusted gross income.

23 (20) For taxable years beginning or deemed to begin on or after
24 January 1, 2024, under the Internal Revenue Code of 1986, as amended, an
25 individual may reduce his or her federal adjusted gross income by the
26 amounts received as annuities under the Civil Service Retirement System
27 which were earned for being employed by the federal government, to the
28 extent such amounts are included in federal adjusted gross income.

29 (21) For taxable years beginning or deemed to begin on or after
30 January 1, 2025, under the Internal Revenue Code of 1986, as amended, an
31 individual who is a member of the Nebraska National Guard may exclude one

1 hundred percent of the income received from any of the following sources
2 to the extent such income is included in the individual's federal
3 adjusted gross income:

4 (a) Serving in a 32 U.S.C. duty status such as members attending
5 drills, annual training, and military schools and members who are serving
6 in a 32 U.S.C. active guard reserve or active duty for operational
7 support duty status;

8 (b) Employment as a 32 U.S.C. federal dual-status technician with
9 the Nebraska National Guard; or

10 (c) Serving in a state active duty status.

11 (22)(a) For taxable years beginning or deemed to begin on or after
12 January 1, 2024, under the Internal Revenue Code of 1986, as amended, an
13 individual may reduce his or her federal adjusted gross income by the
14 amount of interest and principal balance of medical debt discharged under
15 the Medical Debt Relief Act, to the extent included in such individual's
16 federal adjusted gross income.

17 (b) For taxable years beginning or deemed to begin on or after
18 January 1, 2024, under the Internal Revenue Code of 1986, as amended,
19 federal adjusted gross income or, for corporations and fiduciaries,
20 federal taxable income shall be reduced by the amount of contributions
21 made to the Medical Debt Relief Fund, to the extent not deducted for
22 federal income tax purposes.

23 (23) For taxable years beginning or deemed to begin on or after
24 January 1, 2025, under the Internal Revenue Code of 1986, as amended, an
25 individual who is a qualifying employee as defined in section 77-3108 may
26 reduce his or her federal adjusted gross income by the amount allowed
27 under section 77-3111.

28 (24) For taxable years beginning or deemed to begin on or after
29 January 1, 2026, under the Internal Revenue Code of 1986, as amended,
30 federal adjusted gross income or, for corporations and fiduciaries,
31 federal taxable income shall be reduced by the amounts allowed to be

1 deducted pursuant to section 77-27,242.

2 (25) There shall be added to federal adjusted gross income or, for
3 corporations and fiduciaries, federal taxable income for all taxable
4 years beginning on or after January 1, 2025, the amount of any net
5 capital loss that is derived from the sale or exchange of gold or silver
6 bullion to the extent such loss is included in federal adjusted gross
7 income except that such loss shall not be added if the loss is derived
8 from the sale of bullion as a taxable distribution from any retirement
9 plan account that holds gold or silver bullion. For the purposes of this
10 subsection, bullion has the same meaning as in section 77-2704.66.

11 (26) There shall be subtracted from federal adjusted gross income
12 or, for corporations and fiduciaries, federal taxable income for all
13 taxable years beginning on or after January 1, 2025, the amount of any
14 net capital gain that is derived from the sale or exchange of gold or
15 silver bullion to the extent such gain is included in federal adjusted
16 gross income except that such gain shall not be subtracted if the gain is
17 derived from the sale of bullion as a taxable distribution from any
18 retirement plan account that holds gold or silver bullion. For the
19 purposes of this subsection, bullion has the same meaning as in section
20 77-2704.66.

21 **Sec. 7.** Original section 77-2716, Revised Statutes Cumulative
22 Supplement, 2024, is repealed.